

31 August 2017

SG HISCOCK & COMPANY

Fact Sheet

Investment objective	The Fund aims to outperform the S&P/ASX 200 A-REIT Accumulation Index over rolling three to five year periods while providing a quarterly income stream.		
Investments held	The Fund will provide exposure primarily to listed property trusts with the aim to provide income and capital growth potential over the long-term.		
Investment Manager	SG Hiscock & Company		
APIR	CRS0007AU		
Commencement	31 December 1993	Buy spread	+0.25%
Management costs¹	0.78% p.a.	Sell spread	-0.25%
Minimum initial investment	\$10,000	Investment pool size	\$68.79 million

Unit Prices	Application	Withdrawal
31 August 2017	\$0.8828	\$0.8784

Performance as at 31 August 2017 ²	1 mth %	Qtr %	6 mths %	1 yr %	3 yrs % p.a.	5 yrs % p.a.	Incept' % p.a.
Distribution Return	0.00	0.99	1.45	2.45	3.69	4.47	8.60
Growth Return	0.33	-5.12	-5.04	-10.39	4.85	8.40	-0.84
Total Net Return	0.33	-4.13	-3.59	-7.93	8.54	12.87	7.76
S&P/ASX 200 A-REIT Accum. Index	1.28	-3.67	-1.63	-7.43	9.98	13.19	7.45

Top 5 holdings as at 31 August 2017
Westfield Corporation
Scentre Group
Stockland Stapled
Vicinity Centres
Mirvac Group

Distribution Period	Cents per Unit
30-Sep-16	0.49
31-Dec-16	0.92
31-Mar-17	0.44
30-Jun-17	0.92

Top 5 holdings represent 75.71% of the total Fund.

Asset Allocation as at 31 August 2017	
Australian REITS	96.61
Cash	3.39

1. Includes estimated GST payable, after taking into account Reduced Input Tax Credits ("RITC").

2. Performance: Distribution Return is the return due to distributions paid by the Fund, Growth Return is the return due to changes in initial capital value of the Fund, Total Net Return is the Fund return after the deduction of ongoing fees and expenses and assumes the reinvestment of all distributions.

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Commentary

The **S&P/ASX 200 Property Accumulation Index** rose by 1.3% in August, outperforming the broader market (S&P/ASX 300 Accumulation Index) which rose by 0.8%. Global Real Estate Investment Trusts (REITs) were the worst performer this month, finishing up only 0.3%.

Domestic Economic Data

The 10 Year Bond Yield rose approximately 4 basis points to 2.71%, given the strength of the major Commodities. This however did not translate into a rising Australian Dollar, which dropped marginally to below US\$0.80. The Reserve Bank of Australia left Official Interest Rates unchanged.

The Unemployment Rate at 5.6% is in contrast to the minimal growth registered in the Wage Price Index latest quarterly reading, at a muted 0.5%. This continues to be reflected in the Confidence/Sentiment figures, with Business Confidence continuing to rise, whilst Consumer Sentiment fell. Despite this, Retail Sales grew for the third-consecutive month.

The volatile Residential Building Approvals fell on the latest reading, but suggesting still an above average 220,000 dwellings p.a. The National House Prices still continued to show a rise but at a more muted growth rate. Both Non-Residential Construction and Private Real Capital Expenditure were stronger than forecast.

Overseas Economic Data

In the **US**, the 10-Year Bond Yield firmed approximately 20 basis points to 2.11%, based off the escalating tensions on the Korean Peninsula. The Consumer Price Index print was weaker than anticipated once more, despite the rise, remaining below the 2% level. Retail Sales rose stronger than expected, as the Real Gross Domestic Product (GDP) was revised upwards for the second-quarter. The Purchasing Managers Index (PMI's) consolidated its position within the positive zone. Employment figures remained strong, with the Unemployment Rate falling to 4.3%.

In **Europe** the Euro was stronger against all the other major currencies, as the economic data continued to remain positive. Inflation, the PMI's and the Unemployment Rate all improved, with the latter consolidating its latest reading below 10%. The only blip was in Industrial Production, as a result of Germany's weaker data point.

In **Japan**, the Bonds fell back into negative territory, due to the North Korean tensions. Inflation remains barely in positive territory, as GDP for the second-quarter grew 1%. Industrial Production weakened but both the PMI and Leading Indicators suggest further improvement.

Despite the strong reading in the Leading Indicators and Manufacturing PMI, the remainder of the data points emanating out of **China** in August were weaker. This comprised Retail Sales, Exports and Industrial Production.

Across the main **Emerging Market** economies, the data points were noticeably weaker across the board, with the exception being the marginal rise in India's PMI.